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SUBJECT: MEDIA REACTION: U.S. ARMS SALES TO TAIWAN

¶1. Summary: Taiwan's major Chinese-language dailies gave front-page coverage October 31 to a Financial Supervisory Commission member who was taken to a marathon questioning session Monday on suspicion of corruption. Coverage also focused on the review of the National Defense Budget for fiscal 2007, which was suspended by the pan-Blue legislators Monday; on President Chen Shui-bian's naming Taiwan Semiconductor Manufacturing Co. chairman Morris Chang as Taiwan's envoy to this year's APEC forum; and on Chen's remarks that the push for a new constitution will gain momentum in 2007. The pro-independence "Liberty Times," Taiwan's largest-circulation daily, ran a banner headline on page two that quoted Taiwan Defense Minister Lee Jye as saying "Arms Procurements Stalled; United States Suspends Military Exchanges [with Taiwan]."

¶2. In terms of editorials and commentaries, an opinion piece in the pro-unification "United Daily News" said the DPP should modify its security concept of clinging tightly to the United States. A column in the pro-status-quo "China Times" discussed AIT Taipei Director Stephen Young's recent remarks on U.S. arms procurements and a new perspective in the United States' Taiwan policy, namely, to maintain and expand hostility between the two sides of the Taiwan Strait. The article questioned Young's role and asked if it is worthwhile for the United States to make 'supporting Bian' its cause and consequently damage the Taiwan people's desire for clean government.

An editorial in the limited-circulation, conservative, pro-unification "China Post" suggested that Washington cancel the arms deal with Taiwan and not provide arms to President Chen, an "unpredictable troublemaker." An editorial in the limited-circulation, pro-independence, English-language "Taipei Times," however, expressed full support for Young's remarks on the U.S. arms procurements, and an editorial in the limited-circulation, pro-independence, English-language "Taiwan News" urged the pan-Blues to "cease hypocritical politicization of Young's rude but timely reminder." End summary.

A) "Clinging Tightly on to the United States is the DPP's One and Only Strategy"

Professor Barry Yu-chun Chen, the director of Chinese Culture University's Graduate School of American Studies, opined in the pro-unification "United Daily News" [circulation: 400,000] (10/31):

"... In terms of the arms procurements, however, one must position oneself on higher ground to view the issue on top of the entangled interests in the United States and U.S.-Taiwan relations. Some say that Taiwan's defense security will face an impasse if it fails to buy U.S. weapons this time. But is the situation that serious? The DPP government's concept of security is to cling tightly to the United States, but the question is: can one latch onto the United States at will? Besides, it is questionable how tightly one can cling to the United States. Over a long period of time, the United States' cross-Strait policy has its superficial part and its substantive part, but most importantly, the policy is decided by the

U.S. global role and its international status and it also involves the current status and changes in the international situation....

"The mainstream thinking of the U.S. China policy is to learn to 'adapt' to the rise of China and to urge China to become a 'responsible stakeholder' with the United States. ... Both the United States and Japan have understood China's significance in the globalized international situation, but many people in Taiwan still hold tightly to Cold War-like resistance thinking, refusing to accept the economic reality of the mainland. Taiwan's predicament is a result of its self-isolation, and the Taiwan people must ponder its own interests rather than clinging tightly to other countries as its pledge for survival."

#### B) "Stephen Young and the Narcissus Revolution"

Columnist Nan Fang Shuo commented in the pro-status quo "China Times" [circulation: 400,000] (10/30):

"... In reality, anyone who has some understanding of [U.S. President George W.] Bush's Taiwan policy since he rose to power in 2001 is aware that maintaining the hostility between the two sides of the Taiwan Strait has emerged to be a new consideration for the United States' Taiwan policy. To maintain and expand the hostility across the Taiwan Strait can deepen Taiwan's position as a strategic pawn of the United States, and it can also give the United States more room for maneuvering. This new perspective of the United States has made Washington become more anxious in the wake of the visits to Beijing by [KMT Chairman] Lien Chan and [PFP Chairman James] Soong last year, which resulted in a better ambiance between the two sides of the Taiwan Strait. Right at this moment, the anti-corruption and oust-Bian campaign in Taiwan triggered upheavals in Taiwan, which put the DPP in danger of losing its power. The United States' ultimate position, without a doubt, was exposed at this moment, earlier than it planned. Thus, what I saw from Stephen Young's remarks was Washington's anxiety, and its ultimate stance of

being willing to support Bian to complete his term, even at the risk of offending Taiwan. This is not the first time for the United States to do so. In the wake of the pre-election shooting [attempt on President Chen] in 2004, the United States used delaying tactics by requesting that Lien and Soong stop demonstrations in exchange for the guarantee that the truth [of the shooting] be probed. But in the end, it was the then-AIT Chairwoman Therese Shaheen who facsimiled a congratulatory message in the name of Bush to endorse the Bian regime. Given what happened in 2004, Young's performance now would not be seen as a surprise.

"But just because of this, Young, once an expert in the 'Narcissus Revolution' in Kyrgyzstan, is playing the role of anti-revolutionist in Taiwan today. Just as what has cheered many DPP members, Young's clear indication of his position has given them addition faith in 2008. It's just that [given Young's remarks], the United States has made 'supporting Bian' and 'supporting corruption' as its cause and thus damaged the Taiwan people's yearning for clean government. Is it worthwhile for the United States to do so?"

#### C) "U.S. Should Cancel the Deal"

The conservative, pro-unification, English-language "China Post" [circulation: 30,000] editorialized (10/31):

"Six years after the rule of the pro-independence Chen-DPP government, Taiwan has become less predictable and responsible than before. On the contrary, it is trying to rock the boat and wreck the status quo, ignoring others' interests, especially those of the U.S. ... Had the Chen administration introduced the deal for legislation in 2001 or 2002, when its independence agenda was not well known, the opposition-dominated legislature would have approved it swiftly. But Chen did not submit the bill to the legislature until after he won re-election on March 19, 2004, thanks to an election-eve vote-swaying assassination attempt on the president and vice president; the incumbent won with a margin of 0.2 percent of the 13 million total votes. ...

"If the weapons were in the hands of the KMT government, they would certainly help retain the regional status quo and defend Taiwan's freedom, democracy and prosperity against a forced unification with

the mainland. But if the weapons were in the hands of the independence activists, they would embolden them to push for Taiwan's de jure independence from China, prompting military retaliations by Beijing and dragging a reluctant U.S. into a conflict. ...

"And for the first time, Stephen Young, the new director of the American Institute in Taiwan, stated in public immediately after his arrival in April that 'the U.S. opposes Taiwan independence,' instead of the usual 'doesn't support it.' Then why provide massive arms to a known quantity who is 'unpredictable,' 'a troublemaker,' and one ready to 'bite the hand that feeds it?'"

#### D) "Stephen Young Plays the Blues"

The pro-independence, English-language "Taipei Times" [circulation: 30,000] editorialized (10/31):

"... The US wants and needs Taiwan to have an adequate defense capability so that Taipei can one day bargain with Beijing from a position of strength or, in the event of any conflict with China, hold on until the US arrives to help the nation defend itself. Young's words unsurprisingly upset the pan-blue camp, but since the budgets have been revised in accordance with its demands, the pan-blues have no excuse to vacillate any longer. ... All this latest episode has done is again underline Chinese Nationalist Party (KMT) Chairman Ma Ying-jeou's impotence in the face of party hardliners. All his talk of a 'reasonable' arms budget and promises to review the bill have amounted to nothing. ...

"Ma and the rest of the pan-blues no doubt harbor profound unease at the fact that the ROC remains a 'sovereign country' only because of US support. Those KMT legislators who show blatant disregard for Taiwan's security by blocking the bill would not occupy their privileged positions today were it not for the US' economic and military commitment to this country. One possible reason for their recent behavior is that they are trying to sabotage relations with the US to make the Democratic Progressive Party government look incompetent in the eyes of the electorate and Washington. But this could backfire, as many in Taiwan value a strong relationship with the US. On the other hand, it could be part of a navel plan to unseat Young, who is disliked by the pan-blue camp because of his perceived pro-Taiwan stance and the fact that he is knowledgeable about local affairs. ...

"What it boils down to is that the pan-blues do not like the US having a clued-up man in Taiwan who tells Washington exactly what is going on and does not pander to their every whim. Thankfully, the

State Department's statement on Friday indicates that Young has the full backing of the US government. So, if that is the pan-blues' aim, then they are likely to fail. If the electorate takes the State Department's words to heart and 'hold their leaders responsible' for these shenanigans, the political space for pan-blue hardliners will shrink. The first test of this process will be the Taipei mayoral election."

#### E) "Young's Rude but Timely Reminder"

The pro-independence, English-language "Taiwan News" [circulation: 20,000] (10/31):

"... We urge leaders and lawmakers of both the KMT and PFP to cease their hypocritical politicization of Young's rude but timely reminder of the importance of Taiwan's investment in its own defense and the importance of such defense to regional security and re-examine their own irresponsible actions. After all, the question of whether the pan-blue alliance has offered a legitimate reason for their boycott of proper legislative review and discussion of the defensive weapons procurement budget is the core of the controversy. ...

"Crises of 'foul' by the KMT and PFP would carry more weight were it not for the blatant double-dealing by the two parties, who successively first boycotted the draft bill authorizing a multi-year special budget, demanded that the allocations be inserted in the normal annual central government budget and then continued to boycott normal review even after the DPP-led Executive Yuan agreed

to their demands. Besides not having the decency to allow open debate in the Legislative Yuan, the pan-KMT leaders are guilty of willfully neglecting the clear and present danger to Taiwan's people of the rapidly deteriorating cross-strait military imbalance in favor of a hostile People's Republic of China. ... Washington apparently has lost patience with the political game being played by the KMT and PFP at the expense of both the U.S. and Taiwan and, through Young, has sent a message calling on Taiwan politicians to refrain from abusing the U.S. pledge to help the country defend itself simply for their own partisan calculations.

"It is easy to understand Soong's antics to keep right-wing support for his fading party, but Ma's empty words have shown a lack of integrity and a failure to face up to the question of how to defend Taiwan from China's military threat that is shocking in a candidate for national leadership. ... We do not know whether Ma is putting this urgent issue on hold for reasons of partisanship or to curry favor with Beijing, but his delays are harming both the security of Taiwan's people and even his own credibility. Young's action shows that the KMT and PFP cannot wash their hands of their responsibility in the possible deterioration of U.S.-Taiwan relations or in the security of the Taiwan people. We urge the KMT chairman and his party legislators to put Taiwan's long-term national security and interests above their short-term partisan games and show Taiwan's public and the international community their commitment to bolster Taiwan's capability to defend itself. Failure to do so will only expose Ma's unfitness to be Taiwan's national leader."

YOUNG